

Loan Decisions and Life Decisions
Front End Usage of the AVM Cascade Engine
- Rudy De La Garza, Jr.

How long did it take you to check your email today? 2 minutes? 10 minutes? If you are like me, in that time you probably acted on 5-10 issues and requested information on an additional 5-10 more. In terms of "Instant Gratification" that the Internet affords us, this can seem like an eternity. This concept has become the standard for many of the services we require, and not just on the Internet. On this premise it is not a big leap to recognize that AVMs can have a place in this "Instant Gratification" space. Now, can you make a Life Decision in an instant? Probably not a good idea, but you can have all the information needed to help you make that decision.

In this wonderful world of technology in which we live, in just seconds, our personal information can be accessed, verified, and analyzed for credit risk decisions. In just the same way, information on residential properties is summoned and reviewed for the basis of a loan risk decision. Resulting in a society and culture that has come to recognize and expect the instant gratification of these services in our daily lives.

We already see AVMs (Automated Valuation Models) used for 2nd mortgage loans, lines of credit, and portfolio analysis. And while banking and mortgage industries have accepted the use of AVMs for various risk decision processes, the full extent of the AVM offering is still not fully realized. One of the smarter applications we're seeing today is the use of an AVM in qualifying a consumer for a loan product. These lenders are using an AVM cascade to help their web site visitors qualify themselves for a call from a loan officer.

Enter ElectronicAppraiser.com

ElectronicAppraiser.com (EA) fully understands the consumer and the application of AVMs to the front-end loan process. Since 1999, EA has provided an AVM cascade to the consumer. By adding one AVM vendor at a time to the "bump logic" cascade technology, the highest hit rate possible is attained on nationwide requests for AVM data by the consumer.

EA takes a unique approach to delivering AVMs to the end-user, consumer and borrower. By offering AVMs to the consumer through affiliate programs, private label solutions, web-based integration, and co-brands, the AVM cascade is exposed to large market segments of homebuyers, sellers, investors, appraisers, and real estate professionals. When EA sells an AVM to the consumer, certain assumptions can be made.

The first assumption is that a consumer would only pay \$29.95 for an AVM if they have some sort of motivation. This could be to sell a residential property, buy a property, or just to find out what other homes in the area are selling for. In any of these cases, this consumer is in need for a mortgage (and many other products) very soon... Showing us that AVMs help consumers make “Life Decisions”.

So, EA proposes to the mortgage banking industry the concept of utilizing AVMs closer to the front-end of loan process. Imagine a loan officer armed with both the customer information and LTV before ever answering the request for loan information. These options are here with the EA AVM cascade.

In the past 6 years we have seen the usage of AVMs rise at an exponential rate. Additionally, there seems to be a higher limit of satiation in the future. For that, EA created integration options that allow for ease of use and maintenance. EA partner web sites receive an abundance of information about the consumer and the AVM data for review and analysis. With the EA AVM Cascade any bank or lender web site can capture this data and capitalize on web traffic in real time.

The days where an informed and qualified loan consumer is “knocking at your front door” are here. The question remains: Are you ready to help them with their next Life Decision?

Features of ElectronicAppraiser.com AVM Cascade by topic:

Engine and Controls:

- EA focuses controls on aggregation, dissemination, and distribution of consumer and AVM data.
- Partners are able to view customer information for each AVM sold through web-based solutions.
- AVM Cascade ensures that consumer is able to find AVM data if available, or offers other options for finding value of home.
- Partner web site can offer AVMs free or for small price to qualify consumer
- Email notification and archiving of all activity in Corporate Interface.
- Utilize affiliate program, Private Label Solution, API integration to offer AVM cascade at any level of your web site.
- 6 Major AVM Providers – XML streams from all.

User Account Management:

- Users are able to prioritize the order of AVM providers.
- Track which AVM was ordered for each property and display all.
- Track which person in your company ordered an AVM.
- Email notification of product completion.

Reporting Capabilities

- Know instantly how many AVMs have been sold, in real time.
- Export AVMs, orders, consumer information to Excel files

About Electronic Appraiser

Florida-based valuation technology provider Electronic Appraiser, Inc. features PhotoCheck, an electronic property photo combined with an automated valuation model (AVM) in an easy-to-read report, and AVMLink, which provides access to several leading property data repositories through a convenient, single interface. The company offers traditional AVMs and/or PhotoCheck, depending on the lender's appraisal need.

For more information, write to Electronic Appraiser, 2200 North Federal Highway, Suite 203, Boca Raton, Florida 33431; call 561-338-1890 or 800-570-3767 or visit us on the web at <http://www.electronicappraiser.com>